

NEVADA REAL ESTATE COMMISSION

MINUTES

APRIL 21, 2015

Grant Sawyer Building
Gaming Control Board
555 East Washington Avenue
Room 2450
Las Vegas, Nevada 89101

VIDEO CONFERENCE TO:

Gaming Control Board
1919 College Parkway
Carson City, Nevada 89701

The meeting was called to order at 9:00 AM

1-B) INTRODUCTION OF DIVISION STAFF IN ATTENDANCE

Joseph (JD) Decker, Administrator

From the Administration Section: Teralyn Thompson and Rebecca Hardin

From the Education section: Safia Anwari, Ingrid Trillo, and VaNessa Finona

From the Licensing section: Susan Clark and Sandra Saenz

From the Compliance section: Jan Holle, Carolyn Washington and Linda Chavez

From Carson City: Deputy Administrator Michael Jory

From the Attorney General's Office: Keith Kizer and Kim Arguello

1-A) INTRODUCTION OF COMMISSIONERS IN ATTENDANCE

Neil Schwartz, Clark County; Sherrie Cartinella, Washoe County; Norma Jean Opatik, Nye County;

Richard Johnson, Washoe County; and Devin Reiss, Clark County

Commission Counsel: Rose Marie Reynolds

2) PUBLIC COMMENT

Steven Kitnick, Steven Kitnick Seminars, stated that he supported the Division's goal of encouraging licensees to keep up on the most recent legislative action. Mr. Kitnick stated that legislators only meet every two years and there's room for legislation courses that will continue to enable licensees to better serve the public and focus on specific limited areas of law, keeping in mind that irrespective of the continuing education requirements that everyone has, they still have the responsibility under NAC 645.605(5) to keep themselves informed of current statutes and regulations governing real estate.

Cherie Williams, Reno/Sparks Associations of REALTORS, asked that the Division to reevaluate the narrow scope that is given to granting the Law/Legislation designation to continuing education courses. Ms. Williams stated that that it does not correctly apply NAC 645.450(2)(b) on this subject. Ms. Williams stated that the code does not state that it is limited to only Nevada legislative issues or regulations and real estate agents would be better equipped to serve their clients by being familiar with state law, and federal law as it applies to anti-trust, fair housing, the Real Estate Settlement Procedures Act and recent regulations enacted by the Consumer Financial Protection Bureau. Ms. Williams stated that agents would also be better informed if law/legislative continuing education credit was granted on

classes containing information on local ordinances such as sign ordinances, solicitation regulations and nuisance ordinances. Ms. Williams suggested including the following definition in the course booklet.

Section 1-4. Mandatory Designation, Law & Legislative (Legislative Update or LL): classes must include substantial content as it applies to federal law, state law, and local ordinances.

All course submission for the designation of Law & Legislative must include copies of all applicable bills, laws, or ordinance language; along with statutory and/or regulatory provisions, as applicable. This information must be included in the application packages with the instructor materials and as student handout. Courses developed after each session of the Nevada Legislature must be updated between the sessions to add newly adopted regulations and the statutory code of new or revised provisions and/or other relevant changes in policy and mandated disclosures.

Ms. Williams spoke in favor of changing the existing NAC 645.455 3(a) and any other related regulation to allow for the offering of real estate continuing education credits in a minimum one hour course, rather than the three hour minimum. Ms. Williams stated that the one hour course of instruction should be available for all designations, as well as online courses.

8-7) NRED v OVIDIU ENE - Case # 2015-365

Parties Present

Senior Deputy Attorney General Kimberly Arguello was present representing the Division.

Ovidiu Ene was present.

Gabriel L. Grasso was present representing Mr. Ene.

Preliminary Matters

Ms. Arguello read the Stipulation for Settlement into the record.

Settlement

Respondent agreed to voluntarily surrender his salesperson license and not apply for a real estate license in the State of Nevada for a period of three years from the effective date of the Order.

Respondent agreed to pay to the Division a fine of \$10,000.00, which includes hearing and investigation costs of \$487.00 within 60 days of the effective date of the Order.

Mr. Ene confirmed that he had read, understood and agreed with the settlement.

Commissioner Schwartz moved to approve the stipulation for case # 2015-365 as presented.

Commissioner Opatik seconded. The motion carried unanimously

8-4) NRED v LINDA M. AKIKI - Case # RES 14-04-138-920

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.

Linda M. Akiki was present.

Hearing

Mr. Kizer read the Factual Allegations and Violations into the record.

Respondent's Witness

Ms. Akiki testified.

The Commission questioned Ms. Akiki.

The hearing was closed with no closing statements from the Division or Respondent.

Commissioner Opatik moved to accept the allegations in case # RES 14-04-138-920. Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Opatik moved to accept the violations in case # RES 14-04-138-920. Commissioner Schwartz seconded. The motion carried unanimously.

8-6) NRED v LINDA M. AKIKI - Case # RES 14-08-06-046

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division. Linda M. Akiki was present.

Hearing

Mr. Kizer read the Factual Allegations and Violations into the record.

Respondent's Witness

Ms. Akiki testified.

The Commission questioned Ms. Akiki.

The hearing was closed with no closing statements from the Division or Respondent.

Commissioner Cartinella moved to accept the allegations in case # RES 14-08-06-046. Commissioner Opatik seconded. The motion carried unanimously.

Commissioner Cartinella moved to accept the violations in case # RES 14-08-06-046. Commissioner Opatik seconded. The motion carried unanimously.

8-5) NRED v LINDA M. AKIKI - Case #'s RES 14-06-02-1162 and RES 14-05-67-1047

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division. Linda M. Akiki was present.

Hearing

Mr. Kizer read the Factual Allegations and Violations into the record.

Respondent's Witness

Ms. Akiki testified.

The Commission questioned Ms. Akiki.

The hearing was closed with no closing statements from the Division or Respondent.

Commissioner Reiss moved to accept the allegations in case # RES 14-06-02-1162 and case # RES 14-05-67-1047. Commissioner Cartinella seconded. The motion carried unanimously.

Commissioner Reiss moved to accept the violations in case # RES 14-06-02-1162 and case # RES 14-05-67-1047. Commissioner Cartinella seconded. The motion carried unanimously.

8-3) NRED v LINDA M. AKIKI - Case # RES 14-03-132-752

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division. Linda M. Akiki was present.

Hearing

Mr. Kizer read the Factual Allegations and Violations into the record.

Respondent's Witness

Ms. Akiki testified.

The Commission questioned Ms. Akiki.

The hearing was closed with no closing statements from the Division or Respondent.

Commissioner Opatik moved to accept the allegations in case # RES 14-03-132-752. Commissioner Reiss seconded. The motion carried unanimously.

Commissioner Opatik moved to accept the violations in case # RES 14-03-132-752. Commissioner Reiss seconded. The motion carried unanimously.

8-2) NRED v LINDA M. AKIKI - Case # RES 14-02-116-587

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division. Linda M. Akiki was present.

Hearing

Mr. Kizer read the Factual Allegations and Violations into the record.

Respondent's Witness

Ms. Akiki testified.

The Commission questioned Ms. Akiki.

The hearing was closed with no closing statements from the Division or Respondent.

Commissioner Reiss moved to accept the allegations in case # RES 14-02-116-587. Commissioner Opatik seconded for discussion. After discussion, the motion carried unanimously.

Commissioner Reiss moved to accept the violations in case # RES 14-02-116-587. Commissioner Schwartz seconded. The motion carried unanimously.

Benjamin Donlon, a Las Vegas Real Estate Broker who formerly worked for Ms. Akiki, spoke on her behalf. Mr. Donlon asked that Ms. Akiki's license be downgraded from broker to salesperson allowing her to work under his broker's license.

Division's Recommendation for Discipline (all cases listed above)

Jan Holle recommended revocation of the real estate broker license and property manager permit with the inability to apply within five years, a fine of \$44,000 (\$1,000 per violation), \$5,446.16 for costs of the hearing and investigation, payable within 120 days of the effective date of the Order.

Commissioner Opatik moved to fine Ms. Akiki \$220,000 (\$5,000 per violation), \$5,446.16 for cost of the hearing and investigation and revocation of all licenses for five years. Commissioner Reiss seconded.

Commissioner Cartinella spoke against the motion.

Commissioner Schwartz spoke against the motion.

Commissioner Opatik spoke in favor of the motion.

Commissioner Reiss spoke in favor of the motion.

President Johnson spoke in favor of the motion.

The motion carried 3-2 with Commissioners Opatik and Schwartz opposing.

5) AMENDED DISCIPLINARY ORDER REVIEW FOR MARTIN M. BARRERA – CASE NO. 12-09-21-091

Parties Present

Senior Deputy Attorney General Kimberly Arguello was present representing the Division.
Martin M. Barrera was present.

Mr. Barrera stated that he was behind on payments because of a death in the family and would bring his account current after he filed his income taxes.

President Johnson asked Mr. Barrera about increasing the amount of his payments.

Mr. Barrera stated that he would like to keep the current payment for the rest of the year.

Commissioner Schwartz stated that based on the efforts that Mr. Barrera had been making; he felt that keeping the payments the same for the remainder of the year would be appropriate. Commissioner Schwartz stated that the matter could be reviewed again at the beginning of next year.

Commissioner Reiss agreed with Commissioner Schwartz.

President Johnson stated his concern with taking on the role of evaluating income statements and preferred set an increased payment amount for the future. Commissioner Opatik agreed with President Johnson and suggested that the payments stay at \$200 a month for the remainder of 2015 with an automatic increase to \$300 or \$400 in January of 2016.

Commissioners Cartinella and Schwartz agreed with Commissioner Opatik.

Commissioner Schwartz moved that the payments remain at \$200 through the end of 2015 and then be escalated to \$300 a month until the balance is paid off. Commissioner Opatik seconded.

Commissioner Schwartz and Commissioner Opatik agreed to amend the motion to include collection language.

Motion carried unanimously.

8-1) NRED v STEVEN ABOULAFIA - CASE # RES 14-02-44-515

Parties Present

Senior Deputy Attorney General Kimberly Arguello was present representing the Division.
Steven Aboulafia was present.
James Kent was present representing Mr. Aboulafia.

Hearing

Ms. Arguello made an opening statement.

Mr. Kent made an opening statement.

Ms. Arguello submitted State's Exhibit 1.

Mr. Kent objected to State's Exhibit 1.

Ms. Arguello responded to the objection.

President Johnson overruled Mr. Kent's objection and State's Exhibit 1 was admitted into evidence.

State's Witness

Susan Clark, Licensing Manager, testified.

Mr. Kent cross-examined Ms. Clark.

The Commission questioned Ms. Clark.

Respondent's Witness

Mr. Aboulafia testified.

Ms. Arguello cross-examined Mr. Aboulafia.

Respondent's Witness

Marcelle Hoskins testified.

Respondent's Witness

Jay Dana testified.

Mr. Kent submitted Respondent's Exhibit A. Respondent's Exhibit A was admitted into evidence.

Respondent's Witness

Steven Aboulafia testified.

The Commission questioned Mr. Aboulafia.

Ms. Arguello gave her closing statement.

Mr. Kent gave his closing statement.

Commissioner Reiss moved that Allegations 1-5 were proven. Commissioner Opatik seconded. The motion carried unanimously.

Commissioner Opatik moved to accept the violations in case # RES 14-02-44-515 as proven. Commissioner Schwartz seconded. The motion carried unanimously.

Division's Recommendation for Discipline

Ms. Arguello recommended a fine of \$10,000 per violation for a total fine of \$20,000 and hearing costs of \$1,072.88 to be paid within six months.

Commissioner Opatik moved to accept the recommendation of \$10,000 fine per violation for a total fine of \$20,000 and costs of \$1,072.88 to be paid within six months. Commissioner Reiss seconded.

Commissioner Cartinella suggested education.

Commissioner Reiss suggested adding 12 hours of education to the discipline, to include 3 hours of What Every Licensee Should Know.

Commissioner Opatik amended her motion to include the following education: 3 hours of What Every Licensee Should Know, 3 hours of ethics, 3 hours of agency and 3 hours of contracts. Commissioner Opatik stated that the education must be completed within six months and will not be counted toward renewal continuing education. Commissioner Reiss seconded the amendment.

The amended motion carried unanimously.

6-1) LICENSE DENIAL APPEAL FOR MIGUEL LOPEZ - FILE No. S-LDA-15-003

Parties Present

Miguel Lopez, Appellant

Susan Clark, Licensing Manager for the Real Estate Division

Kimberly Arguello, Senior Deputy Attorney General

Hearing

Mr. Lopez requested that the session be closed.

Commissioner Schwartz moved to close the hearing pursuant to NRS 241.030(1). Commissioner Cartinella seconded. Motion carried unanimously.

The hearing was closed.

Commissioner Schwartz moved to open the hearing pursuant to NRS 241.030(1). Commissioner Opatik seconded. Motion carried unanimously.

The hearing was reopened.

Commissioner Cartinella moved to grant Mr. Lopez a Nevada Real Estate license. Commissioner Schwartz seconded. The motion carried unanimously.

6-2) LICENSE DENIAL APPEAL FOR JOSEPH T. GADDIN - FILE No. S-LDA-15-004

Parties Present

Joseph T. Gaddin, Appellant
Susan Clark, Licensing Manager for the Real Estate Division
Kimberly Arguello, Senior Deputy Attorney General

Hearing

Mr. Gaddin requested that the session be closed.

Commissioner Cartinella moved to close the hearing pursuant to NRS 241.030(1). Commissioner Reiss seconded. Motion carried unanimously.

The hearing was closed.

Commissioner Cartinella moved to reconvene the open hearing pursuant to NRS 241.030(1). Commissioner Opatik seconded. Motion carried unanimously.

The hearing was reopened.

Commissioner Cartinella moved to grant Mr. Gaddin a Nevada Real Estate license. President Johnson seconded for discussion.

Commissioner Schwartz and Commissioner Opatik were uncomfortable with granting Mr. Gaddin a license while he was still on probation.

Commissioner Cartinella withdrew her motion and President Johnson withdrew his second.

Commissioner Cartinella moved to grant Mr. Gaddin a Nevada Real Estate license upon completion of his probation period and completion of any required exams, waiving NRS 645.330(2)(b) with regard to this specific incident. Commissioner Opatik seconded. The motion carried unanimously.

8-8) NRED v RONALD C. FILIPOVIC - CASE # RES 14-02-148-619

Parties Present

Senior Deputy Attorney General Kimberly Arguello was present representing the Division.
Mr. Filipovic was not present.

State's Witness

Commission Coordinator Rebecca Hardin testified regarding proof of service.

Commissioner Opatik moved that the Commission pursuant to NAC 645.860 find that the State had proven sufficient service notice to Ronald C. Filipovic, RES 14-02-148-619. Commissioner Schwartz seconded. The motion carried unanimously.

Ms. Arguello submitted State's Exhibit 1. State's Exhibit 1 was admitted into evidence. Ms. Arguello read the Jurisdiction, Factual Allegations, Violations, and Discipline Authorized into the record.

Commissioner Opatik moved that the Commission, pursuant to NAC 645.860, find that the State had proven by statute and custom the factual allegations and violations of law were deemed to be true. Commissioner Reiss seconded. The motion carried unanimously.

Division's Recommendation for Discipline

Jan Holle recommended revocation of all real estate licenses, a fine of \$20,000 (\$10,000 per violation), and costs of \$685.39 payable within sixty days.

Commissioner Opatik moved to accept and adopt the recommendation by the State by revoking all licenses for to Ronald C. Filipovic, RES 14-02-148-619, along with a fine of \$20,000 and costs of \$685.39 payable within sixty days. Commissioner Schwartz seconded. The motion carried unanimously.

8-11) NRED v PAUL MURAD - CASE # RES 13-04-17-305

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.

Paul Murad was present.

Shan Davis was present representing Mr. Murad.

Hearing

Mr. Kizer gave his opening statement and submitted State's Exhibit 1. State's Exhibit 1 was admitted into evidence.

Mr. Davis gave his opening statement and submitted Respondent's Exhibit A. Respondent's Exhibit A was admitted into evidence.

State's Witness

Monica Smith testified.

Mr. Davis objected to the foundation of the testimony.

President Johnson overruled the objection.

Ms. Smith resumed her testimony.

Mr. Davis cross-examined Ms. Smith.

The Commission questioned Ms. Smith.

The State closed its case.

Respondent's Witness

Paul Murad testified.

The hearing was continued to the next day, due to time restraints.

10) PUBLIC COMMENTS

None.

11) ADJOURNMENT

The meeting was recessed at 4:27 PM on April 21, 2015.

APRIL 22, 2015

Grant Sawyer Building
Gaming Control Board
555 East Washington Avenue
Room 2450
Las Vegas, Nevada 89101

VIDEO CONFERENCE TO:

Gaming Control Board
1919 College Parkway
Carson City, Nevada 89701

The meeting was called to order at 9:00 AM

1-A) INTRODUCTION OF COMMISSIONERS IN ATTENDANCE

Neil Schwartz, Clark County; Sherrie Cartinella, Washoe County; Norma Jean Opatik, Nye County;
Richard Johnson, Washoe County; and Devin Reiss, Clark County.
Commission Counsel: Rose Marie Reynolds

2) PUBLIC COMMENT

None.

7) REGULATION WORKSHOP FOR LCB FILE No. R097-14

Workshop started at 9:03 AM on April 22, 2015.

INTRODUCTION OF DIVISION STAFF IN ATTENDANCE

Joseph Decker, Administrator
From Carson City: Deputy Administrator Michael Jory
From the Administration Section: Teralyn Thompson and Rebecca Hardin
From the Education section: Safia Anwari, Ingrid Trillo and VaNessa Finona
From the Enforcement Section: Jan Holle
From the Licensing section: Susan Clark and Sandra Saenz
From the Attorney General's Office: Keith Kizer and Kim Arguello

Section 1: No comment.

Section 2: No comment.

Section 3:

Administrator Decker commented that the form is being changed to allow a cooperative certificate to apply to only one transaction; not for a specific period of time.

Commissioner Schwartz asked if a time-limit could be placed on the certificate once the property had been identified and the application was approved.

Administrator Decker stated that the Division could add a time limit.

President Johnson stated that the inclination now is to limit the certificate to one property and one agent, requiring the licensee to report the transaction when it is complete but the certificate will expire in one year.

President Johnson commented that people were abusing the privilege of a cooperative broker's license. President Johnson stated that the intent of this section is to have more control to make sure that the rules and regulations are followed per the mission of the Administrator, which is to protect the public.

Administrator Decker stated that the Division was less concerned with identifying the property or the amount of time and more concerned with the certificate being per transaction. Administrator Decker stated that the Division has no problem with issuing another certificate to qualified people for another transaction if that's what they wish to do.

Commissioner Schwartz asked if someone could have multiple certificates with different properties on each certificate within the same time period of time.

Administrator Decker stated that it was based on one transaction per certificate.

President Johnson commented that the other thing that had been lost over the years was that the Nevada cooperating broker is responsible for that out-of-state broker as if the out-of-state broker were their own licensee. President Johnson stated that there's a lot of abuse and there will be people trying to circumvent the system by paying the State broker a referral fee.

Commissioner Opatik asked if there was a need to address rental situations.

Administrator Decker stated that issue would require more thought.

Section 4:

Steven Kitnick, Steven Kitnick Seminars, asked if the sponsor's upload of information from the roster would suffice as submission of proof or would licensees still have to keep their certificates?

Administrator Decker responded that the Division does not have the technological capability and currently each licensee has to submit their certificate.

Section 5: No comment.

Section 6:

Commissioner Schwartz commented on Section 6(15) which states that a student must earn at least 75 percent of the points possible for the whole course. Commissioner Schwartz stated that every distance education course he had taken had a test consisting of ten questions with 10 points for each question. Commissioner Schwartz stated that there was no way to get a 75 percent passing score. Commissioner Schwartz stated he would like to see the quizzes constructed so a 75 percent score was attainable, suggesting that more questions be added with a point value of 5 each.

Administrator Decker commented that the Division's position was that ten questions was not enough to test comprehension.

Commissioner Reiss suggested that Commissioner Schwartz conduct a workgroup on the issue.

Cindy Weber, ABC Real Estate School, asked for clarification on whether the discussion was about the score for the entire course or just the final exam.

Administrator Decker answered that the 75 percent referred to the final exam, but the exam must cover the subject matter of the entire course.

Section 7: No comment.

Section 8:

Administrator Decker commented that since there are other changes to make on this regulation, the Commission would have to workshop it again. Administrator Decker recommended that section 8(3) be changed to read, “The Commission may accept” as opposed to “the Commission will accept.”

Section 9:

Commissioner Opatik questioned if changing “will” to “may” in other subsections would mean that “will” should be changed to “may” in section 9(2).

Administrator Decker answered that, except for section 8(3), the regulation talks about broker management and section 9(2) specifically excludes broker management. Administrator Decker stated that the idea is that there is more latitude with the Commission accepting a school for broker management than there would be for appraisal and the rest of the subjects.

Teralyn Thompson commented on amendments to NAC 645.440 relating to amendments in sections 5 through 7 regarding the Commission of post-secondary education approval for courses marketed to Nevada applicants. Ms. Thompson stated that real estate appraisal courses offered by the Appraisal organization should be included as accepted per the Commission on post-secondary education.

Section 10:

Administrator Decker stated that this section allowed for investigation by the Division to be grounds for notifying the sponsor that they intend to withdraw the course approval. Commissioner Schwartz asked if an audit would trigger the same thing.

Ms. Thompson answered that the regulation does not specifically state that a student evaluation or audits can trigger an investigation and be the reason for the Administrator to withdraw approval. Ms. Thompson stated that this amendment would place that into the regulation.

Section 11:

Steven Kitnick, Steven Kitnick Seminars, commented that there are very important laws currently on the books that real estate licensees need to be made aware of. Mr. Kitnick stated that many educators believe that we should not have such a narrow definition of what a law and legislation course should be about. Mr. Kitnick stated that there’s a feeling that some licensees are only going to take one law class. Mr. Kitnick stated that if licensees are going to take one law class, the class should be the most recent.

Administrator Decker stated the Division shall reapprove the course only once. Administrator Decker stated that the intent is that the Commission is allocating the authority to the Division to approve courses. Teralyn Thompson commented that the reason for allowing the course to only be reapproved once is because the course changes every two years.

Commissioner Opatik suggested that it be mandated that this would be the only class that the Commission would hear and approve.

Section 12:

Peggy Simon, Realty One Group, commented that section 12(1)(b) should be updated to reflect current technology.

Commissioner Schwartz asked if it should be indicated on the sign-in sheet if someone who signed in did not complete the class.

Administrator Decker stated that the Division doesn’t want to know who attended the class, only who passed.

Safia Anwari stated that it's not something that happens often but when it does the instructor or sponsor will notify the Education Department of the incident via email. Ms. Anwari stated that it would make sense for them to make note on the actual attendance sheet.

Section 13:

Commissioner Opatik commented that the Commission had delegated the authority to the Division to approve courses and asked if that had to change.

Administrator Decker stated that all courses have to be approved by the Commission regardless of whether they do it themselves or delegate authority to the Division.

Commissioner Schwartz stated that if the 75% situation is changed in the prior section, it would need to be changed in this section as well.

Section 14:

Administrator Decker suggested replacing “govern” with “pertain to” on section 14(1)(b).

Administrator Decker commented on section 14(4)(b), which lists computer software as a type of class that did not meet the standards for continuing education. Administrator Decker stated that this might eliminate software that is used in the daily business of real estate.

Commissioner Schwartz agreed that software should not be excluded.

Commissioner Opatik stated that most software is proprietary and educators would most likely not be writing courses on specific software applications. Commissioner Opatik stated that it might suggest to some people that the course provider was promoting that particular software.

Administrator Decker commented on section 14(2)(o) regarding the use of technologies which applied to the practice of real estate as being acceptable in one section. Administrator Decker stated that the use of any computer software program is broadly identified as being excluded in section 14(4)(b) which is contradictory.

Rose Marie Reynolds, Commission Counsel, stated that there was a difference in the two sections and they were not contradictory in her opinion.

Administrator Decker stated that it should be computer software only as applied to developing or improving clerical, office or business skills.

Wendy DiVecchio, Greater Las Vegas Association of Realtors, commented on section 14-4(b), asking if computers was limited to laptops and desktops or is it encompassing everything when it comes to electronics.

Commissioner Opatik stated that courses the Division currently has are related to technology in the real estate realm. Commissioner Opatik stated that instructions on technology courses that she has taken tell how to incorporate an iPad and a tablet to your advantage in real estate. Commissioner Opatik stated that those classes are technology driven. Commissioner Opatik stated that basic computer courses would be how to turn it on and make the keyboard communicate with the computer

Teralyn Thompson commented that it does state that a course that is designed to develop or improve clerical, office, or business skills that are not related to the activities described in these sections of NRS 645.

Administrator Decker stated that the wording in this would not cause the Division to exclude courses that are designed to improve knowledge pertaining to real estate through technology. Administrator Decker stated that those would be approved, as opposed to courses that apply only to administrative or office skills.

Forrest Barbee, Berkshire Hathaway Home Services Nevada Properties, commented on the legislative law issue on page 18, item 2(b). Mr. Barbee stated that he had come across some pragmatic issues with this in writing and teaching. Mr. Barbee stated that courses tended to focus on a very rigid look at the most current legislative session to find what that next course is going to look like. Mr. Barbee suggested that legislative issues are probably not just local, but state, local and federal. Mr. Barbee stated that there have been some Supreme Court decisions which have impacted Nevada. Mr. Barbee stated that there have been some other legislative issues that are coming back.

Section 15:

Cindy Weber, ABC Real Estate School, questioned the wording in section 15(4)(a)(7), which refers to the "number of the sponsor". Ms. Weber stated that maybe that should be "course number" because the sponsors do not have numbers.

Ingrid Trillo, Continuing Education Program Supervisor, commented that although section 15(7) states "a roster which was electronically submitted by the sponsor," the Division does not have the technology to verify the roster and requested that certificates be submitted by licensees.

Ms. Trillo stated that the "number of the sponsor" referred to in section 5(4)(a)(7) should be continuing education numbers; not sponsor numbers.

Commissioner Schwartz asked for an explanation of section 15(3)(a).

Ms. Trillo stated that her understanding was that there is a demand for having courses as little as one hour but didn't believe distance education was allowed to be only one hour.

Administrator Decker stated that the Division had no problem with removing the three-hour minimum and having one hour courses applied as one hour continuing education credit.

Commissioner Opatik suggested bringing the matter up later.

Commissioner Cartinella commented that although licensees can't learn much in an hour; it would be helpful to those who only needed one more hour.

President Johnson stated that some courses do not have enough content for three hours and sponsors may not want to combine a topic into a class for three hours when the substance only requires one to two hours.

Administrator Decker stated that the Division's position is that a course does not have to be three hours to be valuable. Administrator Decker stated that the Appraisal Commission and Common- Interest Communities Commissions are going to this, as well.

Section 16:

Wendy DiVecchio, Greater Las Vegas Association of Realtors, commented on section 16(1)(a) regarding taking the same course more than once during any two consecutive periods of renewal. Ms. DiVecchio stated that students can learn something every year a course is taken.

Commissioner Schwartz commented that he strongly believed that there are classes that a licensee could take again in a shorter period of time and still learn something.

Administrator Decker agreed with Commissioner Schwartz and suggested changing the language to state more than once during any period for renewal of a license.

Commissioner Schwartz suggested changing it from "renewal of a license" to "educational periods" which has remained two years.

Commissioner Opatik suggested changing renewal period to educational periods or educational requirement periods.

Rose Marie Reynolds commented that her understanding was that what the Commission wants to be able to take classes regardless and proposed totally eliminating subsection 1.

Administrator Decker stated that the problem is the Division doesn't want licensees taking their entire continuing education in one month by taking the same course over and over again. Administrator Decker stated that there needs to be some kind of limitation.

Section 17:

Steven Kitnick, Steven Kitnick Seminars, spoke in opposition to the \$1,000 fine to instructors/sponsors for not turning in the appropriate paperwork in a timely manner. Mr. Kitnick stated that NVAR submitted a letter proposing that a \$25 fine would be more appropriate. Mr. Kitnick stated that he felt that \$1,000 seemed punitive. Mr. Kitnick stated that he would not be against a higher fine for repeat offenders. Mr. Kitnick suggested that a warning rather than a fine should be given for a first offense.

Peggy Simon, Realty One Group, spoke against the \$1,000 fine stating that the fine was way too much. Ms. Simon stated that she had 7,000 licensees in her continuing education courses last year but only has one person to help with making all of the books, doing the rosters, keeping all of the records and etc. Ms. Simon stated that if she was unavailable for any reason and her assistant became unable to work, they could possibly miss the deadline due to circumstances beyond their control.

Commissioner Schwartz commented that \$1,000 was overboard and asked for input as to why that number was suggested.

Administrator Decker commented that he did not know and the Division did not agree with it. Administrator Decker stated that licensees pay \$100 and the Division is requesting \$250 from the sponsor who should pay what the licensee pays.

Commissioner Opatik agreed but would like to see some kind of tiered situation where a higher fine could potentially apply for repeat offenders. Commissioner Opatik stated that a \$250 fine is much more in line with what should actually be done the first time out. Commissioner Opatik stated that there should also some latitude for unexpected events such as downed communications or an accident.

Teralyn Thompson stated that NAC 645.455 section 15(4)(a)(1)-(10) was regarding completion of certificates that are given to licensees after completing a continuing education course. Ms. Thompson stated that subsection is if certificates don't contain what's listed and would be a violation. Ms. Thompson stated that this section not regarding electronic submittal.

Administrator Decker stated that if a sponsor teaches hundreds of students, a thousand dollars per violation for getting certificates wrong can still amount to a lot of money. Administrator Decker stated that a sponsor may not know they got certificates wrong until they've issued 30 or more. Administrator Decker stated that the Division would like to allow as much latitude as it can to licensees turning in an incorrect certificate, as well as the sponsor who made a mistake.

Administrator Decker asked the Commission to deliberate on what is deemed an appropriate fine amount. Administrator Decker stated that some sponsors have the opportunity for one mistake that could impact hundreds of people.

Administrator Decker suggested giving sponsors 30 days to correct mistakes.

Ms. Trillo commented that mistakes take a lot of manpower to correct.

Commissioner Schwartz stated that the licensee also has a responsibility to make sure the certificate is correct when they receive it.

Cindy Weber, ABC Real Estate School, commented that it is not encouraging to somebody who doesn't have thousands of students to write and teach courses for here in Nevada because the risk is too high. Ms. Weber stated that if sponsors are going to get fined a thousand dollars or a high amount for one mistake, it's not cost effective for sponsors to come in with new classes.

Section 18: No comment.

Section 19: No comment.

The workshop closed at 11:02 AM on April 22, 2015.

3-W) DISCUSSION AND DECISION ON PROPOSED CHANGES, ADDITIONS AND DELETIONS TO NAC 645 INCLUDING BUT NOT LIMITED TO LCB FILE NO. R097-14; INCLUDING REVIEW OF PUBLIC COMMENTS FROM REGULATION WORKSHOP HELD APRIL 22, 2015

Ms. Reynolds listed the changes suggested in the workshop as follows.

- Section 12, NAC 645.4438, Subsection 1(b): Change the language from “the use of voice pagers, beepers, and telephones” to “the use of electronic devices including, but not limited to, cell phones, laptops, and tablets.”
- Section 14, NAC 645.450, Subsection 1(b): Change the word “govern” to “pertain to”.
- Section 15, NAC 645.455, Subsection 4(a)(7): Change "number of the sponsor" to "number of the course."
- Section 16, NAC 645.463, Subsection 1(a): Change to read “once during any period for renewal of a license.”
- Section 16, NAC 645.463, Subsection 1(b): Eliminate this new language.
- Section 17, NAC 645.695, Subsection 1: There is a disagreement about the \$1,000 fine for violating NAC 645.455. After discussion, it was decided to refer the matter back to the Division.

Ms. Reynolds asked if the Commission wanted to include Commissioner Schwartz's work group post-licensing education changes.

Administrator Decker stated that section 15, subsection 7 needed to be removed because the Division did not have the capability of accepting electronically submitted rosters.

Teralyn Thompson commented on Section 3 for NAC 645.185 and asked if the out-of-state cooperative certificate should have a time limit for the one transaction authorized.

Commissioner Opatik moved that the Commission accept the regulation LCB File R097-14 with the following changes, as discussed:

- Page 6 – section 3(1), inserting the word “for” in the sentence “A certificate authorizing an out-of-state broker to cooperate with a Nevada broker is valid for 12 months after the date of issuance for the single transaction identified in the application for the certificate and expires automatically when the transaction has been completed or has been terminated.” A further change in that subsection would be, “The fee paid for the issuance covers that period only,” Striking the word transaction.
- Page 15 – section 12(1)(b) to read, “Refrain from engaging in activities which are distracting to other students or the instructor, or which otherwise disrupt the orderly conduct of a class, including, without limitation, the use of electronic devices, cell phones, laptops, tablets or iPad.”
- Page 17 – section 14(1)(b) “Information that relates to pertinent Nevada laws and regulations that pertain to real estate transactions in this State.
- Page 23 – section 15(4)(a)(7) to read “Number of the course assigned by the Division and a statement that the course was approved by the Division on behalf of the Commission.”
- Page 24 – section 15(7) to be stricken in its entirety.
- Page 24 – section 16(1)(a) “More than once during any period of renewal for a license.”
- Page 24 - section 16(1)(b) to be stricken in its entirety.
- Page 26 – section 17(2) to be referred back to the Division for clarification and to include the language which will read “referred by the post-education workshop” to be included in the LCB File R097-14.

Commissioner Reiss seconded. The motion carried unanimously.

8-12) NRED v DAUNSHARI WONG-CULOTTA - CASE # RES 14-05-76-1056

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.
Ms. Wong-Culotta was not present.

State's witness Commission Coordinator Rebecca Hardin testified regarding proof of service.

Commissioner Opatik moved that the Commission, pursuant to NAC 645.860, find that the State had proven sufficient service of the notice to Ms. Culotta, case # RES 14-05-76-1056. Commissioner Schwartz seconded. The motion carried unanimously.

Mr. Kizer read the Factual Allegations, Violations, and Discipline Authorized into the record.

Commissioner Opatik moved that the Commission, pursuant to NAC 645.860, find that the State had proven by statute and custom the factual allegations were deemed to be true. Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Opatik moved that the Commission, pursuant to NAC 645.860, find that the State had proven in the matter of Ms. Culotta, case # RES 14-05-76-1056, the violations of law to be true. Commissioner Schwartz seconded. The motion carried unanimously.

Division Recommendation for Discipline

Jan Holle stated that there were sixteen counts and the State recommended the maximum fine of \$5,000 per count totaling \$80,000 and costs of \$967.27 payable within 90 days.

Commissioner Cartinella moved to accept the State's recommendation of a fine of \$80,000 and costs of \$967.27 payable within 90 days. Commissioner Opatik seconded. The motion carried unanimously.

3-A) ATTORNEY GENERAL CASE STATUS REPORT

Kimberly Arguello presented this report. Ms. Arguello stated that there were approximately 40 cases at the Attorney General's Office, including what was heard at the current meeting.

3-B) DISCIPLINARY REPORT

Teralyn Thompson presented this report.

3-D) ADMINISTRATIVE SANCTION REPORT

Jan Holle presented this report. Mr. Holle stated that the report included all administrative sanctions imposed since the last Commission meeting in January 2015 through the month of March 2015. Mr. Holle stated that during that time there had been 386 administrative fines for a total of \$83,450.00. Mr. Holle stated that there were 1,017 administrative fines for a total of \$255,655.00 for fiscal year 2015 year-to-date.

Commissioner Opatik asked how many trust account violations the Division was getting.

Mr. Holle answered that there was ten to fifteen per month. Mr. Holle stated that a lot of those had resulted in investigations based on the content contained in the reconciliations received. Mr. Holle stated that increased staffing had been extremely beneficial by allowing him to have one person whose primary responsibility was to review reconciliations and two investigators who rotate each month on identifying those that have to submit but had not done so.

3-C) COMPLIANCE SECTION'S CURRENT CASELOAD REPORT, INCLUDING A SUMMARY OF RECENT TOPICS OF COMPLAINTS FILED

Mr. Holle presented this report. Mr. Holle stated that the Compliance Case Load Report showed a total of 52 complaints in the North and 1,762 complaints in the South. Mr. Holle stated that the number of cases in the North had remained about the same since the last Commission meeting in January 2015, while the number of cases under investigation in the South had continued to decrease. Mr. Holle stated that the report showed a running total of dollars returned to the public as a result of complaint resolution. Mr. Holle stated that the number of complaints under investigation in the South was down because Compliance was finally catching up due to a staff increase in October 2013.

3-T) DISCUSSION REGARDING THE ARELLO DISTRICT 4 CONFERENCE AND 2015 MID-YEAR MEETING HELD APRIL 15-18, 2015

Commissioner Schwartz presented the report. Commissioner Schwartz stated that Nevada was behind other states in some areas, but ahead in others, as follows:

1. Nevada is behind in technology.
 - A. In many states the interface between licensees and their administrators is paperless. Many states have e-licensing and licensees can go online for everything including payments.
 - B. Arizona requires new brokers to complete a 9-hour course before a broker's license is issued.
 - C. Some states require approved instructors to attend an Instructor Training Session once a year in order to retain the privilege of being a continuing education instructor.
 - D. Some states do not issue a license until the post education requirement is met.
2. Nevada is ahead in some areas.
 - A. Education – Nevada required core classes and continuing education requirements exceed many states.
 - B. Many states do not control property management and do not even require property managers to have real estate licenses.
 - C. All states are having the same problems we see in Nevada such as trust account reconciliations, comingling of funds and stealing. Arizona has a training video on its website with step by step instruction for property managers. Commissioner Schwartz suggested that the Division have a video produced and available on the website, along with special articles and updates devoted entirely to property management.

3-E-2 &3) ADMINISTRATOR'S REPORT ON DIVISION REORGANIZATION AND STAFFING UPDATES

Administrator Decker presented the report.

- Deputy Administrator Michael Jory had been hired.
- Administrative assistant from the Administration section assigned to the Projects (builders and developers and timeshare) section.

3-E-4) ADMINISTRATOR'S REPORT ON DIVISION BUDGET PROPOSAL

Administrator Decker presented this report. Administrator Decker stated that Assembly Bill 475 is the bill regarding the budget including the proposal for self-funding and the conversion from a four-year to two-year licensing period. Administrator Decker stated that the Division originally spread the increase across all sectors, but the Realtors Association did not support the renewal fees. Administrator Decker stated that the Division got an agreement from time-share builders to cover the difference.

Administrator Decker stated that there were some optional or avoidable fees and penalties included but nothing would impact the average licensee. Administrator Decker stated that the Realtor Association did not support the bill at the last budget hearing.

3-E-6) ADMINISTRATOR'S REPORT ON AGENCY PRIORITIES

Administrator Decker stated that the Division wants to go self-funded because the Division wants to have enough money to plan for the future. Administrator Decker stated that Commissioner Schwartz's attendance at ARELLO gave him a really good idea of some things that are being done or not being done in other states. Administrator Decker stated that there are a lot of things that the Division would like to do involving technology and providing services at the northern office. Administrator Decker stated that self-funding would be a starting point for accomplishing those goals.

Administrator Decker stated that the Division is trying to bring some sense back into the regulations and how regulations are applied.

3-E-5) ADMINISTRATOR'S REPORT ON OUT-OF-STATE COOPERATIVE BROKER CERTIFICATES

Administrator Decker commented that the Division has been asked to make real estate cooperative brokers certificate valid for one transaction only. Administrator Decker stated that is the Division's policy and any challenge would be brought before the Commission.

President Johnson suggested issuing advisory sheets to make sure that agents hear the changes and conform to them.

Administrator Decker stated that the newsletter would be a good way to communicate some of these changes to licensees.

3-F-1) POLICY CHANGES WITHIN THE DIVISION CONCERNING LICENSING SECTION REGARDING DEACTIVATION AND REINSTATEMENT OF A LICENSE, LICENSE CHANGES, VERIFICATION OF EXPERIENCE AND ACCEPTANCE OF ADMINISTRATIVE FINES.

Teralyn Thompson stated that in the past the Division would immediately inactivate a licensee pursuant to NAC 645.448 if the licensee didn't turn in their midterm education. Ms. Thompson stated that this would cause a problem in the Licensing section. Ms. Thompson stated that if a broker did not submit his/her education, the broker would be inactivated, along with all licensees under them, shutting down the whole business. Ms. Thompson stated that currently, the Licensing section will not automatically inactivate a license immediately for not submitting their midterm education. Ms. Thompson stated that once the Licensing section discovers that a broker has not submitted their education, the Licensing section will notify the broker and give him/her 30 days to submit the education before inactivating a license.

Administrator Decker stated that licensees would still have to pay the fine and the reinstatement fee.

Ms. Thompson stated that previously if a licensee violated NAC 645.448 they were not allowed to pay that fine until after the Compliance section issued a case number and sent them a letter. Ms. Thompson stated that some licensees knew they were going to get a fine and wanted to pay ahead of time but they were not allowed. Ms. Thompson stated that currently, licensees who know they're going to get a fine can pay it without waiting for a case to be opened.

Ms. Thompson stated that previously if a licensee failed to renew their license prior to the license expiration date the Division would inactivate the license. Ms. Thompson stated that the licensee would be required to pay the renewal fee, late fee, reinstatement fee, and submit education. Ms. Thompson stated that if a broker-salesperson or salesperson failed to renew their license prior to the expiration date, it was required for the licensee to have the broker sign the reinstatement form prior to submitting the form to the Division. Ms. Thompson stated that currently, if a licensee is a broker-salesperson or salesperson the reinstatement form does not have to be signed by the broker if the licensee is reinstating within 30 days and under the same broker. Ms. Thompson stated that the licensee is still required to pay all fees. Ms. Thompson stated that if the licensee is reinstating the license within the first 30 days of

expiration they can continue to conduct real estate with the receipt provided by the Division where previously they would have to wait until their broker received their license before being allowed to conduct any real estate transaction.

Ms. Thompson stated there were some prior brokers that are deceased or just do not have a good relationship with the licensee. Ms. Thompson stated that currently, the Division allows a licensee who is unable to get the previous broker to verify experience to show proof that the licensee tried to contact the broker to get that information. Ms. Thompson stated that if experience verification can't be done, the Licensing section will require the licensee to sign an affidavit stating that the information they are giving is true. Ms. Thompson stated that the Licensing section will use dates in the Division's database to determine licensing history and full time real estate experience as required by statute

Ms. Thompson stated that a broker is required to turn in a licensee's license within ten days of termination from that brokerage. Ms. Thompson stated that licensees were having a problem with the brokers failing to turn in the license within ten days. Ms. Thompson stated that the Division used to require the licensee to go to the Compliance section, file a complaint and then the licensee would have to return to the Licensing section for an administrative termination to be done. Ms. Thompsons stated that currently, the Licensing section does not send the licensee to the Compliance section to file a complaint. Ms. Thompson stated that the Licensing section accepts the complaint, makes a note in the database and sends a note to the Compliance section. Ms. Thompson stated that the Licensing section will do an administrative termination. Ms. Thompson stated that this puts the responsibility on the broker, instead of the licensee.

Ms. Thompson stated that in the past if a licensee submitted a termination of their original license to the Division and the termination notice was not dated within ten days, the Division would require the licensee to go back to the broker and have the broker correct the date. Ms. Thompson stated that currently, the Division will accept the termination notice that is dated for more than ten days, but less than thirty. Ms. Thompson stated that the Licensing section will make a note in the database and send a copy of the termination notice to the Compliance section. Ms. Thompson stated that the Licensing section will terminate the licensee in the database. Ms. Thompson stated that this puts the burden on the broker because they are responsible for putting the correct date on the termination form.

3-F-3) POLICY CHANGES WITHIN THE DIVISION CONCERNING COMPLIANCE SECTION REGARDING CASE ROUTING PROCEDURES AND SETTLEMENT AGREEMENTS

Teralyn Thompson stated that previously the Compliance section would manually assign case numbers when cases were opened. Ms. Thompson stated that the case number reflected the year and the part of Nevada where the case was opened. Ms. Thompson stated that currently, the Compliance section uses the case numbers generated by the Division's database when cases are opened. Jan Holle stated that it was an extra effort to have to develop the old case numbers and put them into the database. Mr. Holle stated that now the database actually generates a number by year and sequential case for that year.

Ms. Thompson stated that currently the investigative cases that are being recommended to go before the Commission for disciplinary action are being reviewed by the Chief Compliance Investigator and sent to the Attorney General's Office quickly. Ms. Thompson stated that in the past, these cases were required to be reviewed by the administrator before going forward to the Attorney General's Office.

Ms. Thompson stated that extra step of review caused a delay in the process. Ms. Thompson stated that the Administrator now reviews the case after it's been finalized by the Attorney General's office.

Ms. Thompson stated that the routing process for draft complaints received from the Attorney General's office had been changed. Ms. Thompson stated that previously the draft was routed to the investigator, Chief Investigator, Administrator, and to the Attorney General's Office to finalize. Ms. Thompson stated that currently, the Administrator is not included in the review process. Ms. Thompson stated that

Administrator Decker has given that responsibility of ensuring that the information in the complaint is correct to the investigator and the Chief Investigator. Ms. Thompson stated that the Administrator reviews the case after it's been finalized by the Attorney General's office before notices are sent to the respondent.

Ms. Thompson stated that in the past the Administrator was involved in back and forth correspondence about settlement agreements. Ms. Thompson stated that currently, the Chief Investigator is tasked with the duty of handling settlement agreements, working within the boundaries given by the Administrator. Ms. Thompson stated that the Administrator has final approval on the settlement.

3-F2) POLICY CHANGES WITHIN THE DIVISION CONCERNING EDUCATION SECTION REGARDING APPROVAL OF CONTINUING EDUCATION COURSES, CONTINUING EDUCATION CREDITS FOR INSTRUCTORS AND DEVELOPERS.

Teralyn Thompson stated that real estate education courses that were previously approved by the Commission are now being approved by the Division pursuant to NAC 645.450. Ms. Thompson stated that in the past it might have taken up to five months for a course to be approved due to the schedule of Commission meetings. Ms. Thompson stated that this will reduce the amount of time it takes for course approval.

Ms. Thompson stated that in the past it would take up to two weeks for the Administrator to review newsletters and informational bulletins done by the Education section. Ms. Thompson stated that the current Administrator reviews those documents fairly quickly so the newsletters and information bulletins can be sent out in a timely manner.

Ms. Thompson stated that prior Division policy did not allow real estate licensees continuing education credit for instructing live courses. Ms. Thompson stated that Division policy now allows an approved instructor of a live course who is a real estate licensee to receive three credits in a two year renewal period for instructing a course that is, at least, three hours long. Ms. Thompson stated that the Division's current Administrator has also changed Division policy to allow developers for an approved classroom or distance education course to receive a one-time education credit of not more than six hours in a two-year renewal period for course development.

Ms. Thompson stated that in the past the Administrator invited all current members of the Real Estate Commission to join the Real Estate Advisory Committee, which is used to audit and evaluate courses. Ms. Thompson stated that currently the Administrator will not allow an active member of the Real Estate Commission to serve on the Advisory Committee due to potential conflicts of interest.

Commissioner Reiss moved to support the changes that were presented. Commissioner Schwartz seconded. The motion carried unanimously.

3-H1) CE PROGRAM SUPERVISOR'S REPORT ON CONTINUING EDUCATION COURSE AUDIT PROGRAM REPORT

Ingrid Trillo, Continuing Education Program Supervisor, presented this report. Ms. Trillo stated that there were a lot of concerns last audit and sponsors had responded requesting that Ms. Trillo put a little more detail in the report.

3-H2) CE PROGRAM SUPERVISOR'S REPORT ON CONTINUING EDUCATION CERTIFICATE ISSUES AND MIDTERM EDUCATION RECORD-KEEPING

Ingrid Trillo presented this report. Ms. Trillo stated that certificate issues were continuous and included incorrect sponsor, incorrect or missing designation, no signature or unauthorized signature, blank

certificates, etc. Ms. Trillo stated that the number of licensees processed by the Education section was 450 in January, 517 in February and 544 in March.

3-H3) CE PROGRAM SUPERVISOR'S REPORT ON CONTINUING EDUCATION AND POST EDUCATION ROSTER UPLOAD SUBMITTAL ISSUES

Ingrid Trillo presented this report. Ms. Trillo stated that the number of classes uploaded in the first quarter was 653 in January, 646 in February and 738 in March.

3-I) DISCUSSION AND DECISION ON THE DEFINITION OF LAW & LEGISLATIVE DESIGNATION AS OUTLINED IN THE COURSE BOOKLET, REFERENCE MANUAL JUNE 2012

Commissioner Opatik suggested that there be separate Legislative and Law designations which would result in having an extra category of requirement.

Administrator Decker suggested calling one category Legislative and one Legal, as opposed to Law.

President Johnson stated that currently Law & Legislative is only legislative. President Johnson stated that if Law & Legislative is continued as a category, a class called Legislative Updates, focused on legislative, would fall within that group. President Johnson stated that other classes in that category would focus on law.

Commissioner Schwartz stated that separating the two and making them two distinct areas of concentration would probably be the best way to go

Rose Marie Reynolds commented that NAC 645.448(1)(b) states "three hours in the area of Nevada law with an emphasis on recent statutory and regulatory changes." Ms. Reynolds stated that she did not believe that a regulation change was needed because that language was very broad. Ms. Reynolds advised being more specific on definitions as they are adopted with policies.

Commissioner Schwartz stated that NAC 645.448(1)(b) reads "with an emphasis on," however the course booklet states classes must include "only the most current" which is different from the emphasis. Commissioner Schwartz stated that emphasis gives the Commission flexibility of what the Commission can do with the detail of the class. Safia Anwari stated that what is in the course booklet was written when law and legislative designated courses were required to be legislative update only.

Administrator Decker commented that the statute states three hours is required in the area of Nevada law. Administrator Decker stated that the Division's policy could allow legislative/law update to apply to subsection NAC 645.448(1)(b). Commissioner Schwartz questioned whether there was enough content to fill a three-hour class with legislative update only and suggested an hour and a half of a three-hour class be dedicated to legislative law with the remainder focusing on other legal issues.

Commissioner Reiss stated that he was more inclined to go with the vague language that's there and break the course into at least a certain amount of time that had to be current legislative update and the rest could pertain to law.

Commissioner Opatik stated that it might be better to not designate a specific amount of time but require that the newest content out of the last legislative session be included with any and all other laws.

Commissioner Schwartz stated that the three hour class should contain State law changes, State law that licensees are misunderstanding, some federal and regional situations. Commissioner Schwartz stated that requiring coverage of those three or four things will allow flexibility. Commissioner Schwartz stated that if there is a big legislative year more than just an hour and a half will be needed to cover it. Commissioner Schwartz suggested coming together with some idea of what is wanted and what instructors should be advised to write.

Administrator Decker stated that the Division could submit an advisory outlining specifically how the area of Nevada law is defined.

Administrator Decker suggested that the Division come up with some wording for revising the reference manual and have the Commission review it specifying what the Division and the Commission had approved for a law and/or legislative course.

President Johnson summarized the discussion and stated that the Division would rewrite the definition and bring it back to the Commission.

8-11) NRED v PAUL MURAD - CASE # RES 13-04-17-305 (CONTINUED FROM PREVIOUS DAY)

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.

Paul Murad was present.

Shan Davis was present representing Mr. Murad.

Hearing

Mr. Davis submitted Respondent's Exhibit B. Respondent's Exhibit B was admitted into evidence.

Mr. Davis made a statement.

Mr. Murad made a statement.

Respondent's Witness

Paul Murad resumed his testimony.

Mr. Davis submitted Respondent's Exhibit C.

Mr. Kizer objected, citing relevance.

Respondent's Exhibit C was admitted into evidence.

Mr. Kizer cross-examined Mr. Murad.

Commissioner Opatik questioned Mr. Murad.

Commissioner Reiss questioned Mr. Murad.

Commissioner Schwartz questioned Mr. Murad.

Commissioner Cartinella questioned Mr. Murad.

The hearing was continued to the next day due to time restraints.

10) PUBLIC COMMENTS

None.

11) ADJOURNMENT

The meeting was recessed at 4:24 PM on April 22, 2015.

APRIL 23, 2015

Bradley Building
2501 East Sahara Avenue
2nd Floor Conference Room
Las Vegas, Nevada 89104

NO VIDEO CONFERENCING

The meeting was called to order at 9:05 AM

1-A) INTRODUCTION OF COMMISSIONERS IN ATTENDANCE

Neil Schwartz, Clark County; Sherrie Cartinella, Washoe County; Norma Jean Opatik, Nye County; Richard Johnson, Washoe County; and Devin Reiss, Clark County.
Commission Counsel: Rose Marie Reynolds

1-B) INTRODUCTION OF DIVISION STAFF IN ATTENDANCE

Joseph Decker, Administrator
From the Administration Section: Teralyn Thompson and Rebecca Hardin
From the Enforcement Section: Jan Holle and Linda Chavez
From the Education section: Safia Anvari and Ingrid Trillo
From the Licensing section: Susan Clark
From the Attorney General's Office: Keith Kizer and Kim Arguello

2) PUBLIC COMMENT

None

4-1) DISCUSSION AND DECISION CONCERNING REAL ESTATE ADVISORY REVIEW COMMITTEE APPLICATION - KATHRYN BOVARD, B.0015137.CORP

Commissioner Schwartz moved that the Real Estate Advisory Review Committee application for Kathryn Bovard be accepted. Commissioner Opatik seconded. The motion carried unanimously.

4-2) DISCUSSION AND DECISION CONCERNING REAL ESTATE ADVISORY REVIEW COMMITTEE APPLICATION - ROGER TERNEUZEN, BS.0143212; PM.0165077

Commissioner Schwartz moved to accept Roger Terneuzen as a member of the Real Estate Advisory Committee. Commissioner Cartinella seconded. After discussion, the motion failed.

3-X) DISCUSSION TO APPROVE MINUTES OF THE JANUARY 7-8, 2015 MEETING

Commissioner Schwartz moved to accept the minutes of the Commission meeting on January 7-8, 2015 as written. Commissioner Opatik seconded. The motion carried unanimously.

3-Y) DISCUSSION ON DATE, TIME, PLACE & AGENDA ITEMS FOR UPCOMING MEETINGS

Administrator Decker stated that the next meeting was scheduled for May 5-7, 2015 in the North.

President Johnson asked if there was any chance of the meeting being cancelled.

Administrator Decker answered it would only be cancelled if someone received a continuance because the Division cannot afford to have a meeting in the North for individual cases.

President Johnson stated that he thought it had been agreed that if someone got a continuance, they would appear at the next meeting irrelevant of whether it was North or South.

Administrator Decker stated that he did not feel that the Division or Commission was obligated to schedule at the respondent's convenience. Administrator Decker stated that a licensee is under the jurisdiction of the Division which is statewide.

Commissioner Schwartz asked for stronger direction on how the Division and the rest of the Commission wanted him, as secretary, to handle requests for continuances.

Administrator Decker stated that his argument would be that if a meeting is scheduled in the North and a northern respondent requests a continuance, the respondent must factor in the possibility that the next meeting might be in the South and accept that responsibility.

Commissioner Schwartz stated that his understanding of the guidelines was if a second continuance was requested, the respondent would be required to attend the next regular scheduled Commission meeting whether it is North or South.

Kimberly Arguello, Senior Deputy Attorney General, read NRS 645.690 which talks about revocation, suspension, denial, hearings, and transcripts.

Ms. Arguello stated that if it is requested in writing, the request will have to be decided. Ms. Arguello stated that a continuance can be granted pursuant to the respondent's agreement to appear at the next scheduled meeting.

8-11) NRED v PAUL MURAD - CASE # RES 13-04-17-305 (CONTINUED FROM PREVIOUS DAY)

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.

Paul Murad was present.

Shan Davis was present representing Mr. Murad.

Hearing...continued

Mr. Davis made a statement.

Mr. Murad made a statement.

Respondent's Witness

Mr. Murad resumed his testimony.

Commissioner Reiss questioned Mr. Murad.

Commissioner Schwartz questioned Mr. Murad.

Commissioner Opatik questioned Mr. Murad.

Commissioner Cartinella questioned Mr. Murad.

President Johnson questioned Mr. Murad.

Mr. Davis made a statement.

Mr. Murad made a statement.

Mr. Kizer gave his closing statement.

Mr. Davis gave his closing statement.

The hearing was closed.

The Commission deliberated.

Commissioner Cartinella moved to accept the factual allegations as proven in case # RES 13-04-17-305. Commissioner Schwartz seconded.

Commissioner Reiss suggested making the motions for each factual allegation individually.

Commissioner Cartinella withdrew her motion. Commissioner Schwartz agreed.

Commissioner Reiss moved that factual allegation #1, "Respondent has been licensed as a property manager, license number PM.0163450.BRK, and also as a real estate broker, license number B.0057454.LLC," was proven. Commissioner Opatik seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #2, "Respondent was licensed as a real estate salesperson, license number S.0057454," was proven. Commissioner Opatik seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #3, in its entirety, was proven. "Respondent is subject to the jurisdiction of the Division, the Commission and the provisions of NRS Chapter 645 and NAC Chapter 645." Commissioner Opatik seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #4 was proven. "On or about June 24, 2004 Respondent purchased the property at 7029 Diver Avenue, North Las Vegas, Nevada." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #5 was proven. "On or about November 30, 2007 Respondent allegedly transferred the Property to Lotus International Group ("Lotus") via quitclaim deed." Commissioner Cartinella seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #6 was proven. "In the declaration of value form for the quitclaim deed, Respondent identified Lotus as a 'wholly owned LLC'." Commissioner Opatik seconded. The motion passed unanimously.

Commissioner Reiss moved that allegation #7 was proven. "On that declaration of value form, Respondent's address and Lotus's address are each listed as P.O. Box 93033, Las Vegas, Nevada, 89193." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #8 was proven. "On or about April 20, 2008, Leslie and Anthony Cooper (collectively referred to herein as "the Coopers") entered into a Residential Rental Agreement and an Option to Purchase Agreement for the property." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #9 was proven. "There are two versions of page one of the Residential Rental Agreement with one version lists Respondent as the landlord and the other version lists Lotus as the landlord." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #10 was proven and the Coopers made their first monthly rent payment directly to Respondent. Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #11 was proven. "There are two versions of page one of the Option to Purchase Agreement where one version lists Respondent as the seller and the other version lists Lotus as the seller." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #12 was proven. "The Option to Purchase Agreement granted the Coopers until April 30, 2010 to exercise their option to purchase the property." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #13 was proven. "The Coopers made payments pursuant to the Residential Rental Agreement and the Option to Purchase Agreement." Commissioner Opatik seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #14 was proven. "Pursuant to the Residential Rental Agreement and an Option to Purchase Agreement, \$8,400 of the monies paid by the Coopers was to be applied to the purchase of the property if the Coopers exercised their option." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #15 was proven. "In or about February 2009, the Coopers learned that Respondent planned to sell the property via a short sale notwithstanding the Coopers' option to purchase the property." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #16 was proven. "The Coopers, through their agent, made an offer to purchase the property." Commissioner Opatik seconded.

Commissioner Reiss revised his motion to include "that the offer included credit of the monies the Coopers had already paid toward the property." Commissioner Opatik agreed to the revision. The motion carried unanimously.

Commissioner Reiss moved that allegation #17 was proven. "Respondent rejected the Coopers' offer and refused to credit the Coopers with the monies they had paid toward the property." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #18 was proven. "In correspondence regarding the planned short sale, Respondent's agent referred to Respondent as the seller of the property." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #19 was proven. "Despite the alleged quitclaim deed referenced in paragraph 5; a notice of default was entered against Respondent on or about March 24, 2009, due to his failure to pay the mortgage on the property." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #20 was proven. "After learning of the notice of default against Respondent, the Coopers declared on or about April 2, 2009; that they would no longer pay rent to Respondent but would pay the rent directly to the bank holding the mortgage." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #21 was proven. "Approximately one week later, Respondent evicted the Coopers from the property." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #22 was proven. "On or about June 30, 2009; Respondent conveyed the property to Recontrust Company, N.A., via a trustee sale." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that allegation #23 was proven. "On or about April 26, 2013; the Coopers filed a Statement of Fact with the Division complaining about Respondent's conduct." Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Reiss moved that violation #24 was proven. "Respondent violated NRS 645.633(1)(h) pursuant to NAC 645.605(4) and/or NAC 645.640(1), by failing to disclose in writing that he was leasing or disposing of the property for himself or for an entity with which he has an ownership interest." Commissioner Cartinella seconded. The motion carried unanimously.

Commissioner Reiss moved that violation #25 was proven. "Respondent violated NRS 645.633(1)(h), pursuant to NAC 645.605(6) by not disclosing the property default to the Coopers."

Commissioner Reiss stated that his motion was revising the violation by striking “and by not crediting the Coopers with the monies they invested in the property.” Commissioner Opatik seconded. The motion carried unanimously.

Commissioner Reiss moved that violation #26 was proven. “Respondent violated NRS 645.633(1)(i) by engaging in deceitful, fraudulent or dishonest dealing.” Commissioner Schwartz seconded. The motion carried unanimously.

Division’s Recommendation for Discipline

Jan Holle stated the Division recommended a fine of \$10,000 per violation, and \$4,089.65 for the cost of the hearing and investigation, as well as any modification of the real estate license and permit that the Commission felt appropriate.

Mr. Davis commented on jurisdiction and the severity of the fine.

Mr. Murad made a statement.

Commissioner Reiss moved that Respondent pay \$4,089.65 for the cost of the hearing, and complete 12 credits of education, not to be used toward renewal, including 3 hours of What Every Licensee Should Know, 6 hours of Ethics, and 3 hours of Agency, to be completed in 6 months. Commissioner Cartinella seconded.

After discussion, Commissioner Reiss amended his motion to include a \$5,000 fine to be distributed evenly among the three violations. Commissioner Schwartz seconded.

After discussion, Commissioner Reiss withdrew his motion.

Commissioner Cartinella moved to impose a fine of \$2,500 per violation, totaling \$7,500, hearing costs of \$4,089.65 to be paid in installments within a one-year period, 12 hours of continuing education credits to be completed live within six months consisting of: 3 hours of What Every Licensee Should Know, 3 hours of Ethics, 3 hours of Agency and 3 hours of Property Management. Credits do not count toward renewal education. Commissioner Opatik seconded. The motion carried 4-1 with President Johnson opposing.

3-J) DISCUSSION AND DECISION REGARDING THE PERSONAL DEVELOPMENT DESIGNATION FOR CONTINUING EDUCATION COURSES

Commissioner Opatik stated that she wanted to remove the Personal Development (PD) designation from any and all continuing education classes because there were not that many PD classes written and the majority of them were eventually re-designated to General.

Safia Anwar stated that PD is in the regulation as a separate area. Ms. Anwari stated that the distinction between the two designations is that General is elective courses related in some way to real estate. Ms. Anwari stated that Personal Development is for the development of the licensee to improve their licensing skills in order to better serve the client.

Ms. Anwari stated that NAC 645.450(2)(q) does not list General as a category and doesn’t elaborate on the definition of Personal Development.

Ingrid Trillo read the definition from the Course Booklet as follows:

Per NAC 645.450(2)(q), Personal Development is an approved standard and designation for continuing education that may include classes relating to developing a licensee’s expertise and competence – e.g. negotiating skills, marketing skills, closing strategies, personal safety, time management, etc. Specifically excluded as Personal Development are the skill types listed in NAC 645.450(5).

Commissioner Schwartz commented that Personal Development has limitations because licensees can only take one course. Commissioner Schwartz stated that instructors teach licensees how to do business, but there's a financial end to it also. Commissioner Schwartz stated that to write a class that is going to be restricted by the number of people in the class doesn't give an incentive to write a Personal Development class.

Commissioner Reiss stated that he would support eliminating Personal Development if the criteria were opened up for a General designation.

Ms. Anwari stated that there was nothing in the regulations that says Personal Development courses have to be restricted. Ms. Anwari stated that it was Division policy. Ms. Anwari stated that there is also the problem with people taking classes advertised as a General but are Personal Development.

Administrator Decker commented that Personal Development provides a home for some courses that do not otherwise have categories.

Commissioner Schwartz stated that those who write the classes want their class exposed to the biggest number of people which does not happen with Personal Development designated classes. Commissioner Schwartz stated that people are not looking for it and sometimes the subject matter is so weak it does not belong in either PD or General.

Commissioner Cartinella questioned whether Personal Development is needed, stating that it seemed to be kind of a catch-all.

President Johnson commented if its higher end Personal Development it would fall into General like negotiations, suggesting lower end PD courses should not be approved.

Rose Marie Reynolds stated that regulations state that Personal Development courses will be considered and the Commission cannot refuse to consider them. Ms. Reynolds stated that the definition of Personal Development courses can be changed but sponsors cannot be told that this designation is no longer available.

Ms. Anwari stated that there is nothing in regulation that refers to classes as General. Ms. Anwari stated that everything outside of the core requirements, which includes both General and Personal Development, is considered elective. Ms. Anwari suggested designating all elective classes as Personal Development.

The consensus of the Commission was to drop the General category and make all elective classes Personal Development.

Ingrid Trillo suggested making the change effective with the revision of the course booklet.

3-K) DISCUSSION AND DECISION REGARDING AMENDING NAC 645.455 TO ALLOW FOR THE COMMISSION TO GRANT CREDIT FOR A COURSE FOR CONTINUING EDUCATION IF THE COURSE CONSIST OF AT LEAST ONE HOUR OF DISTANCE EDUCATION OR INSTRUCTION IN A CLASSROOM INSTEAD OF THREE HOURS

Rose Marie Reynolds stated that it was a regulation change so it would not be effective until the Commission formally adopted that regulation.

Ingrid Trillo pointed out an error stating that both distance and classroom education should be one hour.

Commissioner Cartinella spoke in favor of the change because there are some subjects that do not require three hours of instruction.

3-L) DISCUSSION REGARDING THE STATUS OF A REAL ESTATE LICENSE AFTER A LICENSEE CHANGES THEIR ASSOCIATION WITH A BROKER PURSUANT TO NAC 645.305

President Johnson stated that when a licensee changes brokers to go with another company, they technically cannot practice until the license goes through the process and comes back to the broker. President Johnson stated that if a licensee is already into an agreement with somebody, theoretically they have to stop.

Administrator Decker stated that the issue was to have less bureaucracy in the process of changing the license and to have a more reasonable transition. Administrator Decker stated that the ten days is for the former broker to send a terminated agent's license to the Division so a new license can be issued with the new broker's name.

Teralyn Thompson stated that the broker has 10 days, by statute, to send in the license. Ms. Thompson stated that once the license is given to the Division and the licensee submits a change form, the change can be made immediately and the licensee can work off of the receipt. Ms. Thompson stated that Division policy is if the license is not submitted within the 10 days, on the 11th day the licensee can come in, write an affidavit which goes to the Compliance section, and the licensee can do the change and work off of the receipt.

Susan Clark stated that if a licensee comes in with a change within the ten days and the broker has not yet returned the license, the Division cannot move forward until they receive the documentation from the former broker or until the 11th day. Ms. Clark stated that the prior broker is responsible for a licensee until the termination has been submitted and the license returned.

The Commission and Division staff discussed problems and liabilities involved with changing brokers.

3-M) DISCUSSION AND DECISION REGARDING COMMERCIAL REAL ESTATE DESIGNATION AND EDUCATION

President Johnson reminded everybody of the Real Estate Division's mission statement, as follows:

The mission of the Nevada Real Estate Division is to safeguard and promote public interest in real estate transactions by developing an informed public and a professional real estate industry.

President Johnson stated that the Commission's job was as follows:

The Commission shall act in an advisory capacity to the Real Estate Division, adopt regulations and conduct hearings as provided in the chapter. The Commission shall adopt regulations establishing standards for operation of licensees and others in the business.

President Johnson cited the Attorney General's statements about boards and commissions as follows:

The purpose of the professional license is to protect the health, safety, and welfare of the public by assessing minimum education and experience requirements for initial entrance into a profession, particularly in the light of the fact that the purpose may sometimes be at odds with the interest of the industry or profession in which you earn your livelihood. The interests of the profession and the professional must be subordinate to the interest of the public.

President Johnson stated that he cited those passages only because the Commission needed to keep in mind that what the Commission is doing is not to please the agents. President Johnson stated that the Commission works with the Division to protect the public interest; which includes the training and guidance of the agents in what has to be done to protect the public. President Johnson stated that there has been a long time concern about not having a commercial designation license and an increasing number of entities have expressed an interest over the last couple of years. President Johnson stated that problems with commercial real estate are not usually heard because they are of a magnitude where they are settled in civil court. President Johnson stated that there are commercial agents who need guidance.

Administrator Decker stated that the Division supports this.

Commissioner Cartinella commented that she was in favor of it.

Rose Marie Reynolds stated this would require legislation.

Administrator Decker commented that the Division would have to look into creating an entire permit program in regulation. Administrator Decker stated that the language could be pulled from the property manager and business broker permits in statute and put into a bill for the next legislative session.

Commissioner Schwartz stated that he was in favor, suggesting that the requirements be stronger than those for the property management permit. Commissioner Schwartz stated that there has to be a strong educational side to this, because it is a very complicated situation.

Commissioner Opatik commented that she is in favor of it because there was a need in her area. Commissioner Opatik stated that the process should be kept simple enough for people to understand it.

Commissioner Reiss commented that he would be concerned about issuing a commercial permit that would allow agents to deal with commercial property and how much the education was going to cover. Commissioner Reiss stated that if it is land alone, a licensee is not going to learn in 24 hours but if a permit was issued, an agent would feel free to sale commercial land. Commissioner Reiss stated that agents acting in that realm should be better educated, but the administration would be difficult.

Commissioner Opatik stated that it would be helpful to have some kind of permit or a course that would enable agents to understand a little bit more about commercial and how to handle it.

President Johnson stated that the Commission has to start someplace. President Johnson stated that it should be a whole separate license.

Commissioner Schwartz asked President Johnson if the permit could be done in steps. A basic permit could be issued by getting general knowledge; then add a star that would cover land; another star that would cover commercial buildings, etc. Commissioner Schwartz stated that agents would have to understand that they could not deal with the individual sections until they take that section of the education.

President Johnson answered that it could be done like that but would not recommend it because it would take responsibility away from brokers.

Administrator Decker stated that there would have to be a change in statute. Administrator Decker stated that if the Division has any bills allocated to the Division in two years for next session, the commercial license could be included.

President Johnson stated that he would like to know what, if anything, could be done that would make it mandatory for people to start getting the education now and not waiting for the Legislature.

Administrator Decker stated that nothing could be done about the license until the next legislative session. Administrator Decker stated that the Division could make a recommendation in the course manual for commercial real estate courses. Administrator Decker stated that the Division could also issue an advisory opinion that strongly recommended those courses.

Rose Marie Reynolds stated that she did not see how the Division could do anything on a commercial designation when there was no regulation.

Administrator Decker stated that the continuing education coursework could require agents to take at least three hours of commercial real estate courses if they practice commercial real estate.

Rose Marie Reynolds replied that commercial real estate would have to be defined. Ms. Reynolds saw an issue with trying to do this through the continuing education program because they would have to rely on people to self-report.

President Johnson stated that if this was started and there was a commercial designation on the continuing education elective classes, brokers could tell their agents that if they want to practice in that area, they would have to start taking those courses.

Kimberly Arguello stated that they were adding an additional requirement to a license that is not anywhere in statute.

Susan Clark stated that NRS 645.575 says that the Commission will determine what courses are to be taken.

Rose Marie Reynolds stated that NRS 645.575 says that the Commission has to prescribe the standards for the continuing education of persons licensed pursuant to this chapter and therein not a commercial license.

Kimberly Arguello stated that it could be a recommendation but she did not know if she could file a complaint against somebody for not doing it. Ms. Arguello stated that a complaint would be filed against someone who was negligent or grossly negligent but would not feel comfortable adding that cause of action.

President Johnson stated that the local CCIM Institute chapter had already said that they wanted to support and go forward with this. President Johnson stated that if there are numbers of people making the decision, the change is not going to happen because the residential outnumber the commercial and residential licensees think this will take money away.

Commissioner Reiss moved that the Commission would support the Division in an effort to move toward a commercial license. Commissioner Schwartz seconded. The motion carried unanimously.

Administrator Decker stated that the Division would pursue every opportunity to establish a commercial license because there was interest and hopefully the Division will find support in the next couple of years.

4-2) RECONSIDERATION OF THE DECISION CONCERNING REAL ESTATE ADVISORY REVIEW COMMITTEE APPLICATION - ROGER TERNEUZEN, BS.0143212; PM.0165077

Commissioner Cartinella moved to reopen Roger Terneuzen's application for the Real Estate Advisory Review Committee. Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Cartinella moved to vacate the previous motion. Commissioner Schwartz seconded. The motion carried unanimously.

Commissioner Cartinella moved to accept the application of Roger Terneuzen as Real Estate Advisory Review Committee member. Commissioner Schwartz seconded.

Commissioner Cartinella spoke in favor of her motion.

The motion carried unanimously.

9) EDUCATION

CONTINUING EDUCATION COURSES

1. **NeuroSense Consulting**

“Leading in the New World: The Neuroscience of Self”

Request: 3 Hours Personal Development Classroom

Commissioner Schwartz moved to deny accreditation for the NeuroSense Consulting continuing education course. Commissioner Reiss seconded. The motion carried unanimously.

2. **International Association of Certified Home Inspectors**

“Saving Home Energy for Real Estate Professionals”

Request: 3 Hours General Internet

3. **International Association of Certified Home Inspectors**

“Home Energy Score for Real Estate Professionals”

Request: 3 Hours General Internet

4. **International Association of Certified Home Inspectors**

“Home Energy Efficiency for Real Estate Professionals”

Request: 3 Hours General Internet

Commissioner Reiss moved to deny all three of the International Association of Certified Home Inspectors continuing education courses. Commissioner Schwartz seconded. The motion carried unanimously.

President Johnson asked that a copy of the classes that had been approved by the Division on the Commission’s behalf be sent to the Commissioners.

3-S(1) DISCUSSION AND DECISION REGARDING 2015 LEGISLATIVE SESSION AND LEGISLATIVE BILLS THAT RELATE TO NRS 645 WHICH MAY IMPACT THE REAL ESTATE COMMISSION AND THE REAL ESTATE DIVISION INCLUDING ASSEMBLY BILL 264 RELATING TO RESIDENTIAL REAL ESTATE TRANSACTIONS, PROHIBITING A REAL ESTATE LICENSEE OR PROPERTY MANAGER FROM ADVERTISING OR LISTING FOR SALE OR RENTAL CERTAIN RESIDENTIAL PROPERTIES; AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO

Teralyn Thompson commented that this bill had died.

3-S(2) DISCUSSION AND DECISION REGARDING 2015 LEGISLATIVE SESSION AND LEGISLATIVE BILLS THAT RELATE TO NRS 645 WHICH MAY IMPACT THE REAL ESTATE COMMISSION AND THE REAL ESTATE DIVISION INCLUDING ASSEMBLY BILL 410 RELATING TO GOVERNMENT AFFAIRS, REVISING THE MEMBERSHIP OF CERTAIN BOARDS AND COMMISSIONS OF THE EXECUTIVE DEPARTMENT OF THE STATE GOVERNMENT TO PROVIDE FOR PROPORTIONATE REPRESENTATION BASED ON POPULATION; PROVIDING FOR A DECENNIAL REVIEW OF THE MEMBERSHIP OF THESE BOARDS AND COMMISSION TO ENSURE CONTINUATION OF PROPORTIONAL REPRESENTATION; AND PROVIDING OTHER MATTERS PROPERLY THERETO

Teralyn Thompson commented that this bill would require the Real Estate Commission to consist of three members from Clark County, instead of two, one member from Washoe, Lyon or Storey County or Carson; and one member from a rural area such as Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, and Lincoln.

Administrator Decker stated that the Commission would lose a spot from the North. Administrator Decker stated that this bill was sponsored by an Assemblywoman from the South who felt the need to adjust commissions to more accurately reflect population. Administrator Decker stated that public comment opposing the bill were concerned that having only one commissioner allocated to the North and one allocated to rural, was not fair to those in the North.

Teralyn Thompson stated that the bill had passed the Assembly and was at Ways and Means.

Commissioner Opatik asked if there was any way to defeat the bill at that point.

Administrator Decker answered that they could appoint someone to testify and represent the opinion of the Commission.

The Commission discussed speaking points for officially opposing the bill and asked Commissioner Reiss to represent the Commission.

Commissioner Reiss stated that May was difficult for him but he would appear if he could.

Commissioner Schwartz stated that he would backup Commissioner Reiss.

Commissioner Opatik moved that the Commission appear at the legislative hearing in opposition to AB 410 and that the representative be the member of this Commission available at the time that the hearing is called.

Commissioner Schwartz seconded the motion. The motion carried unanimously.

3-S(3) DISCUSSION AND DECISION REGARDING 2015 LEGISLATIVE SESSION AND LEGISLATIVE BILLS THAT RELATE TO NRS 645 WHICH MAY IMPACT THE REAL ESTATE COMMISSION AND THE REAL ESTATE DIVISION INCLUDING ASSEMBLY BILL 457 RELATING TO REPORTS, REVISING PROVISIONS RELATING TO REPORTS SUBMITTED BY CERTAIN ENTITIES, AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO

Teralyn Thompson stated that this bill was related to reports that the Real Estate Division was required to submit to the Legislative Council Bureau on each odd year regarding a disciplinary action taken by the Division on a person holding a property management permit for violations of NRS 202 regarding abatement of nuisance. Ms. Thompson stated that this is not something that the Division reports. Ms. Thompson stated that the bill passed its first house and was in the second house.

3-S(4) DISCUSSION AND DECISION REGARDING 2015 LEGISLATIVE SESSION AND LEGISLATIVE BILLS THAT RELATE TO NRS 645 WHICH MAY IMPACT THE REAL ESTATE COMMISSION AND THE REAL ESTATE DIVISION INCLUDING ASSEMBLY BILL 475 RELATING TO REAL ESTATE; REVISING PROVISIONS GOVERNING THE FINANCIAL ADMINISTRATION OF THE REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY; DECREASING AND INCREASING CERTAIN FEES CHARGED BY THE DIVISION; REVISING PROVISIONS GOVERNING CERTAIN LICENSES ISSUED BY THE DIVISION; AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO

Administrator Decker stated that this is the bill in which the Division was proposing to increase fees and go self-funded. Administrator Decker stated that the association opposed this bill because of the ten dollar per year fee increase, so it was removed. Administrator Decker stated that associations opposed the bill as to any fee increase that pertained to licensees. Administrator Decker stated that the \$100 new application fee was for salespersons license and was intended for new applicants.

Commissioner Schwartz asked about the Division's status if the self-funding did not go through.

Administrator Decker stated that 7.4 positions were added in 2013 through the National Mortgage Settlement Fund. Administrator Decker stated that funding had expired and if the self-funding did not

go through, the Division would remain with the General Fund Budget which did not include the additional staff and the Division would lose those positions. Administrator Decker stated that the ramifications would be that the Division would not be able to operate as efficiently as it had with the additional staff.

3-S(5) DISCUSSION AND DECISION REGARDING 2015 LEGISLATIVE SESSION AND LEGISLATIVE BILLS THAT RELATE TO NRS 645 WHICH MAY IMPACT THE REAL ESTATE COMMISSION AND THE REAL ESTATE DIVISION INCLUDING ASSEMBLY BILL 478 RELATING TO REAL PROPERTY; REVISING CERTAIN FEES COLLECTED BY THE REAL ESTATE DIVISION OF THE DEPARTMENT OF BUSINESS AND INDUSTRY AND IMPOSING CERTAIN NEW FEES TO BE COLLECTED BY THE DIVISION, AND PROVIDING OTHER MATTERS PROPERLY THERETO

Administrator Decker commented that this is the portion of the self-funding bill that included the time-share and building developers fees which the industry was actively supporting. Administrator Decker stated that members of the industry testified for the Division at each hearing and said that they would pay for whatever was needed for the Division to have the resources to function.

3-G) DISCUSSION AND DECISION REGARDING EDUCATION AND INFORMATION MANAGER'S PROPOSED FUNDING PLAN FOR THE BUDGET ACCOUNT 3826 EDUCATION AND RESEARCH FUND PROJECTS FOR FISCAL YEAR 2016

3-N) DISCUSSION REGARDING CONFIDENTIALITY OF COMPLAINTS FILED WITH THE DIVISION

3-O) DISCUSSION REGARDING A DIVISION ADVISORY OPINION REGARDING THE USE OF THE DUTIES OWED BY A NEVADA REAL ESTATE LICENSEE FORM

3-P) DISCUSSION REGARDING LISTING, SELLING, AND ADVERTISING OF NEVADA PROPERTY BY OUT-OF-STATE COMPANIES, AND THE DISCUSSION OF, AND CHANGES TO, THE NEVADA OUT-OF-STATE CO-OPERATIVE CERTIFICATE

3-Q) DISCUSSION REGARDING ISSUES OF WATER RIGHTS AS REAL PROPERTY OR PERSONAL PROPERTY

3-R) DISCUSSION AND DECISION REGARDING THE REAL ESTATE COMMISSION'S GUIDELINES ON ATTENDANCE, PARTICIPATION, AND TAKING LEGISLATIVE POSITIONS DURING THE 2015 LEGISLATIVE HEARINGS, INCLUDING POSSIBLE DESIGNATION OF AN INDIVIDUAL TO MAKE DECISIONS ON BILLS IN 2015 ON BEHALF OF THE COMMISSION

3-U) DISCUSSION AND DECISION REGARDING PROCEDURES FOR OBTAINING AND GRANTING A CONTINUANCE PURSUANT TO NAC 645.830

3-V) DISCUSSION AND DECISION REGARDING ALLOWING LICENSEES TO RECEIVE CONTINUING EDUCATION CREDIT FOR EVERY MEETING OF THE REAL ESTATE COMMISSION ATTENDED

President Johnson stated that the April agenda items listed above (3G, 3N–3R, 3U, and 3V) would be tabled and placed on the May Commission meeting agenda.

10) PUBLIC COMMENT

None.

11) ADJOURNMENT

The meeting was adjourned at 5:06 PM on April 23, 2015.